

SOS considers Food Security Act certification

Last year the passage and implementation of Act 942 of 2009 centralized the filing of agricultural liens and farm-related security interests. The Arkansas Secretary of State's office is now evaluating the feasibility of applying for certification of the centralized system under the Food Security Act 1985.

According to the USDA website, 19 states have a centralized filing system certified as meeting the requirements of Section 1324 of the Food Security Act (FSA) of 1985. Arkansas is currently not certified as having a centralized system under this act. Therefore, all notices to potential buyers of farm products must continue to be given as they have been in the past.

The SOS is currently in communication and consultation with the USDA and other states in evaluating the feasibility of submitting an application for certification. The main issues center on privacy concerns related to the requirement that FSA filings must contain social security and federal identification numbers. Changes in state law and identity theft concerns make the collection and dissemination of this information on these public documents very difficult.

Please watch this newsletter for more information on this issue in the future. If you have any questions, contact Steve Hollowell at stephen.hollowell@sos.arkansas.gov or by telephone at 501-682-3012.



Secretary of State Charlie Daniels

"Upgrades and improvements" are the first words I think of in light of the goals we have reached in the Business & Commercial Services division. A few ongoing changes are outlined for you in this issue, along with the details on procedural advances put into effect. We have taken many steps to help Arkansas businesses move into the electronic filing era.

Also in this issue you will find reminders on the upcoming Nonprofit Annual Report deadline, August 1. Since that date falls on a Sunday, reports should be postmarked by August 2 this year. Remember there is no cost to file these reports.

My office strives to keep accurate and up-to-date records of all our state's business entities while providing convenient reporting options for them. I encourage all the state's nonprofit organizations to take a couple of minutes to complete the online annual report by the deadline.

Remember that entities who must file Annual Franchise Tax reports should already have filed by May 3, 2010, to avoid penalties and interest.

(See **LETTER**, page 2)

Avoid common mistakes on nonprofit reports

Since 2008, all nonprofit corporations are required to file an annual report with the Secretary of State's office by August 1 of each year. *No fee is associated with this report.* Paper report forms will be mailed in June to those nonprofit entities that have not yet filed the 2010 report.

The report must contain the following information:

- the name of the corporation;
- the corporation's jurisdiction;
- registered agent name and address information;
- corporation's principal officers' name and address information;
- a minimum of three (3) board of directors' name and address information; and
- the report must contain an original signature.

The most common mistakes causing confusion in previous years are listed

below. To avoid having a report returned for corrections, make note of the most common filing errors.

Section 3: Registered Agent is used for service of process (acceptance of legal paper work). This must be a physical address, not a post office box, and must be located within the state of Arkansas.

Section 6: Board of Directors is another common oversight. A minimum of three (3) individuals must be listed in this section.

Many annual reports are rejected and returned to organizations because they lack an original signature. Please be sure to sign paper filings and type your name on online submissions.

The most expeditious way to file the report is online at www.sos.arkansas.gov.

The report may also be downloaded and mailed to the Business and Commercial Services, Arkansas Secretary of State,

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Business and Commercial Services

Frequently Asked Questions

Q. Is it possible to file past-due franchise taxes online without filing the 2010 taxes?

A. No. When filing online, the delinquent taxes and current taxes must be paid simultaneously.

Q. Do tax payments mailed have to be received in your office by May 1?

A. No. All tax payments must be postmarked by May 1 to avoid penalties and interest.

Q. Our office uses our own mail meter. Will that date serve as a postmark?

A. No. The postmark must be from the U.S. Postal Service.

Q. I haven't received a tax form for my company. How do I get one?

A. A form can be downloaded from our website, sos.arkansas.gov, or requested by calling our office at 501-682-3409, or taxes can be filed online.

Q. Can someone assist me with filing my taxes online?

A. Yes, our staff will assist with online tax filings.

Q. Can taxes be paid by credit card over the telephone?

A. No. Credit cards can only be used online or on walk-in basis when paying franchise taxes.

Q. Which credit cards does your office accept?

A. Our office will accept Visa, MasterCard, Discover and American Express.

Q. Do I have to pay taxes if I did not conduct business last year?

A. Yes. Franchise tax is due as long as the company is in existence. A company must formally dissolve before the tax liability ends.

Q. What is the process to reinstate my revoked company?

A. All past-due taxes must be paid. This update will reinstate a company.

Q. If I pay past due taxes, how long does it take to update my business from a revoked status?

A. Our system will update overnight.

Q. After I get my company back in good standing, how soon can I purchase a certificate of good standing online?

A. You can obtain the certificate of good standing the day after paying past-due taxes online.

Q. My company was formed at the end of the year. Do I still have to pay this year's tax?

A. Yes. Taxes are due for each year or partial year a company is in existence.

Have a question? E-mail us: Business and Commercial Services at corporations@sos.arkansas.gov.

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Arkansas is examining the possibility of applying for certification of our Uniform Commercial Code (UCC) filing system under the Food Security Act of 1985. There are multiple issues that must be studied before a decision to proceed with this effort can be made. I welcome your thoughts and comments on this subject.

If you have not had the opportunity to attend one of our free 90-minute notary seminars, I encourage you to register for a class as soon as possible. If you cannot attend a scheduled class, our outreach department will be glad to schedule a private seminar for groups of 10 or more. Go online today to find a class near you.

As always, my staff is available to assist you with all your business needs. To review a list of our online services, please visit our website, www.sos.arkansas.gov.



Almost 7,000 current and prospective notaries public have attended the free notary education seminars since 2005. For scheduling information, visit our website at www.sos.arkansas.gov.



NOTARY CORNER

Free notary education seminars remain successful

The arrival of summer marks the end of the Spring 2010 Notary Education Tour, our most successful one yet.

Almost five years ago the Secretary of State's Office began offering education to all current and prospective notaries public in Arkansas. Since then we have scheduled statewide education tours twice each year.

There is much more to notarization than witnessing signatures and placing a notary seal and signature on a document. The free seminars explain a notary public's powers and limitations under Arkansas law. Participants are also shown detailed examples of how notarial powers are accurately performed.

Attendees leave each seminar with the knowledge and resources needed to uphold the duties of the office of notary public.

Even though notary education is not required by law, Arkansas's notaries public have shown commitment to learning the duties of their office. The majority of our seminars, both at our office in Little Rock and statewide, are nearly filled to capacity. As a result, our office has educated well over 12 percent of all notaries public in Arkansas. That's nearly 7,000 notaries.

(Arkansas has over 55,100 notaries in good standing. An additional 5,100 applications are pending. Only five notaries public have had their commissions revoked for improper notarial conduct.)

The spring and fall tours are not the only place we've seen increased interest in the seminars. Although our office will not begin another notary education tour until September, we do offer seminars by special request for groups of 10 or more throughout the calendar year. We have provided this on-site training for financial institutions, government agencies and other organizations.

The responsibilities of notaries public are very important. For training requests or questions about the qualifications, responsibilities, requirements and duties of notaries public, please contact our office by calling 501-682-3409 or toll-free 1-888-233-0325, or by e-mailing arkansascorporations@live.com, or online at www.sos.arkansas.gov.

Technology, efficient procedures have been focus of BCS growth

The last eight years have focused on building a technologically strong Business and Commercial Services division. Secretary Daniels' goal has been finding ways to help Arkansans efficiently meet the legislative mandates of conducting business in the state.

One step toward accomplishing this goal was the implementation of online tax filings. This allows clients to individually file franchise tax forms and pay via the Internet with a credit card or an electronic check.

To further accommodate filers with a large number of clients, such as accounting firms, BCS introduced batch filing. This allows a single filer to submit multiple client forms. The system then invoices those clients for direct payment.

Innovative "lockbox" applications were introduced for filers who still choose to file by mailing paper forms. The procedure facilitates direct deposit of clients' franchise tax fees and automated the in-house filing process for BCS representatives. This made the process of updating tax information more efficient and streamlined the deposit of client checks.

Another expansion of online services was for the Uniform Commercial Code. UCC filers may now go online to file liens and perform searches on documents filed with the state of Arkansas. The process updates filings to the BCS database instantly and allows for the liens to be searched immediately.

BCS clients have responded to the expansion of technology. Use of the

online resources has increased almost every year as more clients seize the opportunity to conduct business electronically, and BCS personnel can process in-house paperwork more efficiently.

If your business contact information has changed, please update physical and e-mail addresses with the Arkansas Secretary of State's office at www.sos.arkansas.gov, or call 501-682-3409.

Nonprofit Annual Reports due soon

Keep your nonprofit organization
in good standing.

File your report online today

at www.sos.arkansas.gov
for instant confirmation.



Update your contact information
to ensure the timely receipt of
future nonprofit requirements.
Nonprofit annual reports must be
postmarked by August 2, 2010.

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State Capitol, Little Rock, AR 72201 or
delivered in person to 1401 W. Capitol,
Suite 250, Little Rock, AR 72201.

All nonprofit organizations that do
not file the 2010 report will change to a
“not current” status in 2011. Questions
may be addressed by e-mailing
nonprofits@sos.arkansas.gov or calling
the Business and Commercial Services
Division at 501-682-3409 or toll free
1-888-233-0325.

**Need a speaker for
your next meeting?**

**Contact Business and
Commercial Services**

(501) 682-3409

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6.2010